



# A Guide for Advocates to Recent Federal COVID-19 Relief to Help Consumers Pay for Essential Energy, Water, and Broadband Service

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This issue brief provides an overview for advocates on the key federal COVID-19 relief programs that can help consumers pay for essential energy, water, and broadband service.

The nation continues to grapple with the ravages of the COVID-19 pandemic and economic crisis, with [over 542,000 deaths due to COVID-19](#) and a record number of households experiencing loss of jobs or wages, with [low-wage workers and people of color disproportionately harmed](#). Many white-collar, high tech, and information workers have transitioned to working at home. But other workers – retail, hospitality, travel, construction – have been financially devastated. Many of these jobs may [never return](#). Federal Reserve Chairman Jerome Powell noted in November 2020 that [the pandemic will accelerate the economic shift towards telework and automation](#). [Millions of households](#) are falling behind on their bills for key necessities, including rent and utilities (electric, gas, water and telecommunications/broadband).

The good news is that the recent COVID-19 relief packages contain assistance for struggling low-income consumers to cover utility debts and current bills, including broadband internet service. Some of these emergency utility assistance programs are still being set up and most are currently temporary in nature.

The emergency assistance programs discussed in this issue brief can be found in the March 27, 2020 [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#), the December 27, 2020 [Consolidated Appropriations Act of 2021 \(CAA\)](#) and the March 11, 2021 [American Rescue Plan Act of 2021 \(ARPA\)](#).

## EMERGENCY RELIEF TO HELP LOW-INCOME CONSUMERS WITH ENERGY BILLS

### Low Income Home Energy Assistance Program:

The federal [Low Income Home Energy Assistance Program](#) (LIHEAP) is a well-established program to help low-income households afford essential home energy service to maintain safe temperatures during frigid winters and sweltering summers. LIHEAP can help low-income consumers with their current home energy heating or cooling bills. LIHEAP covers any home heating or cooling fuel (e.g., electric, natural gas, propane, home heating oil, wood pellets, etc.). In addition to [\\$3.75 billion](#) for this year's annual federal funding for LIHEAP, states and tribes also received [\\$900 million](#) in LIHEAP funds in the CARES Act. These two funds are available for state and tribal LIHEAP programs through September 2021. The ARPA provides an additional \$4.5 billion for energy bills through LIHEAP (see [ARPA §2911](#)). The U.S. Department of Health and Human Services, Administration for Children and Families should be announcing the state allocations for the additional [\\$4.5 billion](#) for LIHEAP in the upcoming weeks. **Low-income consumers should [apply](#) immediately for LIHEAP assistance if they have not done so already.**

### Emergency Rental (and Utility) Assistance (ERA):

The December 27, 2020 CAA provided [\\$25 billion](#) for the [Emergency Rental Assistance Program](#) (ERA) administered by the U.S. Treasury. The ERA may provide assistance for low-income tenants with utility arrears, depending on the state and local government. [Utilities](#) are defined to include electricity, gas, water and sewer, trash removal, and energy costs, such as

fuel oil. In addition, broadband can be covered as an “other expense” under this program, depending on the state or locality. The Treasury has already sent ERA funds to the [states and local governments](#) pursuant to the December 27, 2020 CAA.

The ARPA provides an additional **\$20 billion** for the ERA program; Treasury has not yet announced the details of when and how these additional funds will be allocated to states and localities (see [ARPA § 3201](#)). Tenants should check to see if the state or local agencies administering ERA assistance allow existing ERA assistance (and presumably the new funds) to be used not only for rent payments, but for utility arrearages or payments on current utility bills. This relief could be substantial as there is the potential for these funds to cover up to 12 months of utility arrearages as well as provide assistance with current utility bills. These are limited funds so tenants should act quickly to apply for assistance.

### **Homeowner Assistance Fund (HAF):**

The ARPA includes **\$10 billion** to help prevent foreclosures through the [Homeowner’s Assistance Fund](#) that will be distributed to the states and then to homeowners through state housing finance agencies (see [ARPA § 3206](#)). States have 45 days to apply for the funds. Homeowners cannot seek assistance until the states determine the criteria for this assistance and the appropriate application procedures. Assistance for utility bills is included in the HAF program. NCLC will provide further guidance when available.

### **Low Income Household Water Assistance Program (LIHWAP):**

The CAA includes **\$638 million** for an [emergency Low Income Household Water Assistance Program](#) to help consumers with water and sewer arrearages and current bills. This emergency program is administered by the same agency that administers the LIHEAP program. The ARPA provides an additional **\$500 million** for this emergency water and sewer assistance program (see [ARPA §2912](#)). Additional LIHWAP program details should be announced shortly.

### **Emergency Broadband Benefit Program (EBB) and Emergency Connectivity Fund (ECF):**

The [Emergency Broadband Benefit](#) program (EBB) was established by the CAA and provides **\$3.2 billion** to help low-income consumers afford essential broadband service. The Federal Communications Commission administers the [EBB](#). Under the EBB, [eligible low-income households](#) can receive up to \$50 a month (up to \$75 a month for households on tribal lands) for broadband internet service. The EBB program also includes support for up to \$100 for a laptop, desktop, or tablet. The EBB is available to [Lifeline](#) recipients, Pell grant recipients, households with students in the free and reduced school lunch program, and households experiencing a severe drop in income. Consumers may have a Lifeline benefit along with the EBB and may use the same or a different internet provider. Consumers should be able to apply for the EBB starting at the end of April or early May. Consumers interested in the EBB and the Lifeline program should consider [applying for Lifeline](#) now, as participation in Lifeline qualifies a consumer for the EBB. The EBB Program will conclude when the fund is expended, or six months after the end of the public health emergency.

The Emergency Connectivity Fund (ECF) in the ARPA provides **\$7.2 billion** for broadband for schools and libraries to help close the homework gap for students. [The Federal Communication Commission](#) is developing the rules for this program but these funds are expected to cover broadband connectivity, such as hot spots and internet service costs for students and library patrons.

Questions? Contact National Consumer Law Center attorney Olivia Wein ([owein@nclc.org](mailto:owein@nclc.org)).